

tonian workers in a tractor factory in Tartu struck for two days.

Also in October, 2,000 students demonstrated in Tallinn, waving the Estonian national flag (now banned) and calling for Soviet troops to leave Estonia. The students were upset, in part, at official refusal to allow a local pop group, Propeller, to sing at half time at a soccer match because of a dispute over some of the lyrics.

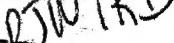
After several more demonstrations, Estonian parents were lectured in schools to discipline their children properly.

Mr. Kukk was first arrested in late January 1980 after talking to this correspondent in a car on Moscow's main ring road. He was held for three days and escorted by police back to Tartu.

A mild-mannered, gentle chemist, he told me he was astonished at the official campaign against him after he resigned from the Communist Party in 1978.

"I thought I could just concentrate on my work at Tartu university," he said before his arrest. "Instead, my wife was told I would have to undergo psychiatric treatment. I lost my job. I was detained in Moscow—and I really began to see how the KGB operates. I really hadn't known anything about the KGB before. Now I do."

Since his arrest, Kukk has been in psychiatric institutions in Tallinn and Moscow, but sources say doctors were unable to prove he was mentally disturbed.

Meanwhile, the Kremlin campaign against other dissidents in the Soviet Union has continued recently, with several trials and jail sentences. 

#### STATEMENT ON PRIVACY OF TELEPHONE RECORDS LEGISLATION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1980

Mr. WEISS. Mr. Speaker, in recent months there have been a number of reports that the Department of Justice has subpoenaed the telephone toll records of newspaper reporters without the knowledge or consent of the reporters. In no case did it appear that the reporters or the newspapers were suspected of any crime. Even Justice Department officials involved in the subpoenas called the Department's actions a "misjudgment," "in violation of the spirit" of Department regulations, and something that the Department "absolutely ought not to do."

After revelation of this activity, the Department changed its regulations to provide some protection for the news media from compulsory process for its telephone toll records. While these regulations represent a first step in the protection of telephone toll records, they do not and cannot go far enough to protect the privacy of this increasingly sensitive category of records. The regulations offer only a modicum of protection for the privacy of reporters and offer no protection for the privacy of others. The necessary protection can only come through Federal legislation.

Americans believe that they have a right to conduct their private affairs by telephone without fear of Govern-

ment surveillance, and we have long recognized the need for protection of the content of telephone conversations. Telephone toll records can provide information about a citizen's social, business, and political contacts that can be just as sensitive in many cases as the content of the conversations. This is more true today than ever before, principally because of the extension of usage-sensitive pricing of telephone services to local as well as long distance service. This requires the recording by the telephone company of the number called along with the date, time, place, and duration of call.

In order to protect telephone toll records from unwarranted intrusion, I am today introducing the Federal Privacy of Telephone Records Act.

The bill restricts disclosure of an individual's telephone toll records by the telephone company. It permits access by Government agents only through use of a subpoena or through an ex parte court order. If a subpoena is employed to gain access to the records, the Government must notify an individual that it is seeking his records. After he is notified, the individual may go to court and challenge the request for his records.

Where the Government believes that notice to the individuals will harm its investigation, it may apply for a court order similar to the order required to tap a phone. The procedures in the bill for access to toll records, however, are less restrictive than those of the current wiretap statutes. In particular, the showing that the Government must make to obtain an order is one of "reasonable cause"—a standard less than the "probable cause" required for a search warrant but more than an allegation, suspicion, or mere belief. At the same time, the bill's requirements for obtaining an order for telephone records are substantially higher than the showing which is required to sustain a subpoena or similar form of legal process.

Besides giving an individual the right to challenge a subpoena for his records, the bill establishes civil liabilities of its provisions.

Finally, the bill provides strict limitations on the subsequent use and re-disclosure of telephone toll records obtained by a Government agency, insuring that the records will not simply become information available for general Government use.

I urge my colleagues to join me in supporting this legislation to protect reporters and other citizens from unnecessary Government encroachments on their privacy.

The bill follows:

H.R. 933

A bill to amend the Privacy Act of 1974 and the Communications Act of 1934 to provide for the protection of telephone records, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

#### SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Privacy of Telephone Records Act".

#### FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds that—

(1) the right to privacy is a personal and fundamental right protected by the Constitution of the United States;

(2) the records of telecommunications provide independent documentation of communications which, before the advent of the telephone, were considered uniquely private in character;

(3) our current legal system severely restricts access to the contents of telecommunications;

(4) the mere fact of a communication is often as revealing as the content;

(5) increasingly sophisticated telecommunications technologies permit and encourage telecommunications common carriers to keep records of the existence, date, location, time, and even parties to telecommunications; and

(6) the unprotected nature of records of the fact of a telecommunication endangers the privacy of American citizens and chills the exercise of individual rights.

(b) The purposes of this Act are—

(1) to protect the privacy of telecommunications records from unwarranted disclosure; and

(2) to limit intrusion into personal privacy even where disclosure to government is deemed appropriate.

#### AMENDMENT TO TITLE 5, UNITED STATES CODE

Sec. 3. Section 552a of title 5, United States Code, is amended by inserting after subsection (q) the following new subsections:

"(r)(1) TELEPHONE RECORDS.—The head of each agency which maintains telephone record information (as defined by section 225(a)(6) of the Communications Act of 1934) shall designate an officer of supervisory rank in the agency to serve as telephone record custodian and shall promulgate regulations as necessary to carry out the provisions of this paragraph and paragraph (2). The telephone record custodian shall—

"(A) take possession of all telephone record information possessed or acquired by the agency;

"(B) be responsible for the use and disclosure of all such information;

"(C) cause the preparation of any copies of the information to the extent required for official use pursuant to the provisions of this paragraph or paragraph (2) and regulations adopted pursuant thereto;

"(D) not disclose any telephone record information except in accordance with paragraph (2);

"(E) upon the completion of—

"(i) the investigation for which telephone record information was acquired by the agency, or

"(ii) a case or proceeding arising from the investigation, to return to the person who produced the record all materials which has not passed into the control of a court or grand jury through introduction into the record of a case or proceeding.

When any telephone record information has been produced by a person under this section for use in an investigation, and no case or proceeding arising therefrom has been instituted within a reasonable time after completion of the examination and analysis of all evidence assembled in the course of the investigation, such person shall be entitled, upon written demand made upon the head

of the agency, to the return of all telephone record information produced by the person.

"(2) An agency, or any officer or employee thereof, shall not disclose any telephone record information (as defined by section 225(a)(6) of the Communications Act of 1934) to any person or make a copy of any telephone record information except—

"(A) with the written consent of the customer (as defined by section 225(a)(1) of such Act) to whom the telephone record information pertains;

"(B) to an attorney for the United States for the presentation of a case or proceeding before a court or grand jury on behalf of the United States which arose out of the investigation for which the telephone record information was acquired, when the attorney designated to appear on behalf of the United States in the proceeding or case determines that disclosure is required, but upon the conclusion of any such case or proceeding, the attorney shall return to the custodian any telephone record information which has not passed into the record of the case or proceeding; or

"(C) at the written direction of the head of the agency, to a Government authority of the United States authorized by statute or Executive order to conduct foreign intelligence or counterintelligence activities solely for the purpose of conducting such activities."

#### AMENDMENT TO COMMUNICATIONS ACT OF 1934

Sec. 4. The Communications Act of 1934 is amended by inserting after section 224 the following new section:

##### "TELEPHONE RECORDS

"Sec. 225. (a) For purposes of this section:

"(1) The term 'customer' means any person or authorized representative of such person who is subscribing or has subscribed to the services of a service provider.

"(2) The term 'Government authority' means any agency, department, bureau, or other authority of the Federal Government, or of any State, commonwealth, territory, or possession, or any political subdivision thereof, or any officer, employee, or agent of any of the foregoing.

"(3) The term 'intercept' means to acquire telephone record information at any time from initiation to completion of a telephone call, telegram, or similar message, through the use of any electronic, mechanical, or other device.

"(4) The term 'service provider' means any common carrier or other person who provides telecommunications transmission services within the territory of the United States, including any operator of a cable television or cable radio system. Such term does not include any person engaging in television or radio broadcasting.

"(5) The term 'telecommunication' means any telephone call or other transmission, emission, or reception of signs, signals, writings, images, and sound or intelligence of any nature by wire, radio, optical, or other electromagnetic systems.

"(6) The term 'telephone record information' means any information, other than the contents of a communication, which makes it possible to determine the existence, date, time, location, or parties involved in any telephone call or in any other telecommunication, including information recorded by means of a pen register or similar device.

"(b)(1) No service provider or its officers, employees, or agents shall disclose telephone record information or grant permission for an intercept of such information, except—

"(A) to a Government authority as provided by subsection (c); or

"(B) pursuant to the specific authorization of the customer identified by the telephone record.

"(2) Nothing in this section prohibits a service provider from disclosing telephone record information to its employees or agents to the extent necessary as a part of its provision of services.

"(3) Nothing in this section prohibits the disclosure of any telephone record information which is not identified with, or identifiable as being derived from, the telephone records of a particular customer.

"(C) A service provider may disclose telephone record information or may permit an intercept of a telecommunication for the purpose of obtaining telephone record information—

"(1) pursuant to the provisions of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.);

"(2) pursuant to a court ordered response to a summons or subpoena which was issued under the requirements of subsection (d);

"(3) pursuant to a court order obtained under the provisions of subsection (e) and subsection (f); or

"(4) pursuant to the emergency provisions of subsection (g).

"(d)(1) A supervisory officer of a Government authority designated by regulation by the head of such authority may authorize or seek the issuance of an administrative summons or subpoena or a judicial summons or subpoena in order to obtain telephone record information from a service provider.

"(2) A customer, to the extent that telephone record information sought under this subsection relates to his subscribed services, shall—

"(A) be served with a copy of any summons or subpoena issued pursuant to paragraph (1), or have a copy mailed to his last known address on or before the date on which the summons or subpoena is served on the service provider, together with a notice of the customer's right to challenge the summons or subpoena, in accordance with subparagraph (C) and subparagraph (D);

"(B) be permitted ten days from the date of service or fourteen days from the date of the mailing to reply to the summons or subpoena;

"(C) be permitted to file (without filing fee) a motion to quash or otherwise limit the summons or subpoena—

"(i) in the case of a judicial subpoena, in the court which issued it;

"(ii) in the case of any other subpoena or summons issued by a government authority of State, in a court of competent jurisdiction; or

"(iii) in the case of any other summons or subpoena issued by a government authority of the United States, in the United States district court in the district where the customer resides, in the district in which the summons or subpoena was issued, or in any other court of competent jurisdiction; and

"(D) be permitted to oppose, or seek to limit, the summons or subpoena on any grounds which would otherwise be available if the customer were in possession of the information.

"(3) A court may order disclosure of telephone record information pursuant to a summons or subpoena issued under paragraph (1) if—

"(A) a customer fails to initiate a challenge to the summons or subpoena within the time limits established by paragraph (2)(B); or

"(B) the court determines, after the customer is afforded an opportunity to challenge the summons or subpoena pursuant to paragraph (2), that—

"(i) there are reasonable grounds to believe that the information will be relevant

to an investigation of a crime enumerated in subsection (e) or to a case or proceeding arising out of such investigation; and

"(ii) the Government authority has established that it possesses the authority to obtain the information from the custody of the customer.

A court may limit the scope of, or otherwise modify, any summons or subpoena it orders to be enforced under subparagraph (B) as it determines would be in the interest of justice. In any order issued under this subsection the court shall cite this subsection as authority for the order.

"(e)(1) The Attorney General, an Assistant Attorney General, or a designated attorney who is an officer of the Department of Justice specifically authorized by regulation, may authorize an application to a United States district court of competent jurisdiction for an order to acquire telephone record information from a service provider or to intercept telephone record information when such acquisition or interception may provide evidence of a criminal offense under a Federal law which constitutes a felony.

"(2) The Attorney General or chief criminal prosecutor of a State may authorize an application to a State court of competent jurisdiction for an order to acquire telephone record information from a service provider or to intercept telephone record information when the acquisition or interception may provide evidence of a criminal offense which involves murder, kidnaping, robbery, extortion, forgery, bribery, embezzlement, fraud, racketeering, a violation of this subsection, or any other crime which threatens serious physical injury to an individual or will result in serious damage to property and is punishable by imprisonment for more than one year.

"(3) Each application pursuant to paragraph (1) and paragraph (2) shall be made in writing upon oath or affirmation to a court of competent jurisdiction. Each application shall include the following information—

"(A) the identity of the investigative or law enforcement officer making, and the officer authorizing, the application;

"(B) a full statement of the facts and circumstances relied upon by the applicant to justify his belief that an order should be issued, including—

"(i) a reasonable description of the nature and location of the facilities from which, or the place where, the telephone record information is to be intercepted or of the service provider from whom the information will be obtained; and

"(ii) the identity of the person, if known, committing the offense with respect to which telephone record information is to be intercepted or records are to be acquired;

"(C) a reasonable description of what other investigative procedures have been tried and failed, or why other investigative procedures reasonably appear to be unlikely to succeed if tried;

"(D) a statement of the period of time for which an interception is likely to be required to be maintained and, if the nature of the investigation is such that the authorization for interception should not automatically terminate when the described telephone record information has been first obtained, a particular description of facts establishing reasonable cause to believe that additional telephone record information of the same type will occur thereafter;

"(E) to the extent known, a full statement concerning all previous applications for authorization to intercept, or for approval of interceptions begun under the emergency provisions of subsection (g), telephone

record, information involving any of the same persons specified in the application; and

"(F) where the application is for the extension of an order authorizing or approving interception, a statement setting forth the results thus far obtained from the interception, or a reasonable explanation of the failure to obtain such results.

The court hearing the application involved may require the applicant to furnish additional evidence in support of an application.

"(f)(1) Upon application pursuant to subsection (e), the court may enter an ex parte order, as requested or as modified, authorizing or approving interception or acquisition of telephone record information within the jurisdiction of the court, if it determines on the basis of the facts submitted by the applicant that—

"(A) there is reasonable cause to believe that an individual is committing, has committed, or is about to commit an offense enumerated in subsection (e)(1) or subsection (e)(2);

"(B) there is reasonable cause to believe that information or evidence obtained through interception or acquisition of telephone record information identified with the individual will be relevant to the offense identified pursuant to subsection (e)(3)(B); and

"(C) alternative investigative procedures to obtain the same information or evidence have been tried and failed or reasonably appear to be unlikely to succeed if tried and the information sought is not reasonably available elsewhere.

"(2) Each order authorizing or approving the interception of any telephone record information or the acquisition of any telephone record information from a service provider shall specify—

"(A) the identity of the customer, if known, whose telephone record information is to be intercepted, or the identity of the customer whose telephone record information is to be acquired from a service provider;

"(B) the nature and location of the facilities as to which, or the place where, authority to intercept or to acquire records is granted;

"(C) a statement of the offense to which they relate;

"(D) the identity of the agency authorized to intercept or to acquire the telephone record information from the service provider; and

"(E) the period of time during which interception is authorized, including a statement as to whether or not the interception shall automatically terminate when the described telephone record information has been first obtained.

"(3) No order may authorize or approve the interception of any telephone record information for any period longer than is necessary to achieve the objective of the authorization, nor in any event longer than thirty days.

"(4) Extensions of an order authorizing interceptions may be granted, but only upon application for an extension made in accordance with subsection (e)(3) and with the court making the findings required by this subsection. The period of extension shall be no longer than the authorizing judge deems necessary to achieve the purposes for which it was granted and in no event for longer than thirty days.

"(5) Every order authorizing interception and extension shall contain a provision that the authorization to intercept shall be executed as soon as practicable, shall be conducted in such a way as to minimize the interception of telephone record information

not subject to interception under the order or extension, and shall terminate upon attainment of the authorized objective, or in any event in thirty days.

"(6) Whenever an order authorizing interception for a period in excess of forty-eight hours is entered, the order may require reports to be made to the court which issued the order showing what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such reasonable intervals as the court may require.

"(7) Applications made and orders granted under this section shall be sealed by the court. Custody of the applications and orders shall be wherever the court directs. The applications and orders shall be disclosed only upon a showing of good cause before a court of competent jurisdiction and shall not be destroyed except on order of the issuing or denying court, and in any event shall be kept for ten years.

"(g)(1) Notwithstanding any other provision of this section, any investigative or law enforcement officer, specially designated in regulation by the Attorney General or by the principal prosecuting attorney of any State and acting pursuant to a statute of such State, who reasonably determines that—

"(A) an emergency situation exists with respect to criminal activities threatening to life which requires that telephone record information be intercepted or acquired before an order authorizing such interception or acquisition can with due diligence be obtained; and

"(B) there are grounds upon which an order could be entered to authorize the interception or acquisition; may intercept or acquire the telephone record information.

"(2) An application for an order approving an interception or acquisition pursuant to paragraph (1) shall be made in accordance with this subsection within forty-eight hours after the acquisition or after the interception occurs, or begins to occur. In the absence of an order, an interception shall immediately terminate when the information sought is obtained or when the application for the order is denied, whichever is earlier. In the event the application for the order is not approved, an inventory shall be served on the person named in the application as provided for in subsection (h).

"(3) Notwithstanding any other provision of this section, a special agent of the Secret Service may, for the purpose of carrying out the protective functions of the Secret Service under section 3056 of title 18, United States Code (relating to Secret Service functions), under section 202 of title 3 of such Code (relating to the Executive Protective Service), or under the Act of June 6, 1968 (18 U.S.C. 3056, note; 82 Stat. 170; relating to Secret Service protection of Presidential candidates), acquire or intercept telephone record information, except that—

"(A) the Director of the Secret Service shall authorize the acquisition or interception after determining that there is reason to believe that acquisition or interception is necessary in order to carry out the protective functions of the Secret Service;

"(B) an interception shall immediately terminate when the needed information is obtained;

"(C) the officer authorizing the acquisition or interception shall certify in writing within forty-eight hours to a United States district court of competent jurisdiction that—

"(i) acquisition or interception of the telephone record information of a designated customer occurred or is occurring; and

there was reason to believe that acquisition or interception was necessary in order to carry out the protective functions of the Secret Service; and

"(D) if, after receiving the certification required by subparagraph (C), the court finds that the requirements of subparagraph (A) and subparagraph (B) were not met, the court shall order termination of the acquisition or interception, if not yet terminated, and an inventory shall be served on the customer whose telephone record information was acquired or intercepted as provided for in subsection (h).

"(h)(1) Within a reasonable time, but not later than one hundred and twenty days, after the denial of an application for an order under subsection (f) or the termination of the period of an order or an extension thereof, the issuing or denying court shall cause to be served on the persons named in the order or the application, and such other parties to intercept or acquired telephone record information as the court may determine in its discretion an inventory which shall include notice of—

"(A) the fact of the entry of the order or the application;

"(B) the date of the entry, or the denial, of the application;

"(C) the period of authorized, approved, or disapproved interception, if telephone record information was intercepted; and

"(D) the fact that during such period telephone record information was or was not intercepted.

"(2) The court may in its discretion make available to the customer whose telephone record information was intercepted or acquired or his counsel for inspection portions of the telephone record information, the application, and the order.

"(3) Upon request by the applicant for an order, the court may grant a delay in service of the inventory or an other notification pursuant to paragraph (1), which delay shall not exceed one hundred and eighty days following the conclusion of the interception, if the court finds, upon the showing of the applicant, that there is reasonable cause to believe that service of the inventory would—

"(A) endanger the life or physical safety of any person;

"(B) result in flight from prosecution;

"(C) result in destruction of, or tampering with, evidence; or

"(D) result in intimidation of potential witnesses.

If the court so finds, it shall enter an ex parte order granting the requested delay. Additional delays of not more than ninety days may be granted by the court upon application, but only in accordance with this paragraph. Upon expiration of the period of delay, the inventory shall be served immediately.

"(i) Any violation of the provisions of subsection (d), (e), (f), (g), or (h) may be punished as contempt of the court issuing or denying an order.

"(j) Whoever, other than a party to the telecommunication identified by telephone record information, in violation of this section intentionally discloses telephone record information or intercepts telephone record information shall be fined not more than \$100,000 or imprisoned not more than five years, or both.

"(k)(1) A person aggrieved by a violation of this section in respect to telephone record information which identifies a telecommunication to which he was a party may maintain a civil action for actual damages and for equitable relief against—

"(A) the United States, an authority of a State which has waived its sovereign immunity under the Constitution to a claim for damages resulting from a violation of this section, or any other governmental unit, each of which shall be liable for violations of this section by their officers or employees while the officers or employees are acting within the scope of their office or employment; and

"(B) an officer or employee of a State who has violated this section, if the State has not waived its sovereign immunity as provided in subparagraph (A), or an officer or employee of the United States, a State, or any other governmental unit who has violated this section while acting outside the scope of his office or employment; and

"(C) any other violator.

The district courts of the United States shall have jurisdiction in the matters under the provisions of this subsection.

"(2) Any person entitled to recovery under this subsection shall receive not less than \$10,000.

"(3) In any suit brought under this subsection in which the complainant has substantially prevailed, the court may, in addition to any actual damages or equitable relief, award such punitive damages as may be warranted and may assess against the defendant reasonable attorney fees and other costs of litigation reasonably incurred.

"(1) Whenever telephone record information has been disclosed, intercepted, or acquired in violation of this section, no part of such information and no evidence derived therefrom may be received in evidence in any trial, hearing, or other proceeding in or before any court, grand jury, department, officer, agency, regulatory body, legislative committee, or other authority of the United States, a State, or a political subdivision thereof, except to the extent that the telephone record information is used in the prosecution of a violation of this section or as evidence to impeach perjured testimony.

"(m) A good faith reliance on a court order issued pursuant to subsection (d) or subsection (f), or on the provisions of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.), where applicable, or on the provisions of subsection (g), shall constitute a complete defense to any civil action for damages brought under this section.".

#### BUDGET AMENDMENTS OF 1981

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

Mr. WEISS. Mr. Speaker, I am today reintroducing legislation to require distinctions in the Federal budget between capital outlays and financing on one hand and current operational expenditures and revenues on the other.

When a business, a city, a State, or practically any other enterprise computes its profit or loss or its surplus or deficit for a given year, it does so by deducting expenses from revenues. Separate and distinct consideration is given to any long-term expenditure for capital needs it may have as compared with current operating expenses. Such a two-part budget is a much more accurate, rational, and useful portrayal of actual financial status than is the

combined budget currently employed by the Federal Government. By balancing current operating income with expenses and by comparing long-term capital outlays with long-term financing, a much clearer and concise budgetary picture emerges.

It is, for example, most instructive to note that more than one-fifth of the fiscal 1982 Federal budget—\$161.5 billion—represents capital investments. The remaining \$576 billion in the fiscal 1982 budget represents operating expenditures and should, under standard and universally accepted accounting methods, be measured against the \$711.8 billion in revenues for fiscal 1982. A \$135 billion operating budget surplus results when this computation is used.

Were the Federal Government to employ the budget methodology used by almost every other financial entity, it would be clear to the public that there is, in fact, no operational budget deficit whatsoever.

The \$27.5 billion deficit shown in the fiscal 1982 Federal budget is in reality the difference between capital outlays and the operational surplus. The Federal budget deficit, which we have all heard so much about, actually finances capital items exclusively. And these capital commitments in turn represent sound investments in America's future—investments that will yield benefits in the years to come.

Borrowing to finance capital outlays—which is what, in effect, the deficit represents—is universally considered sound business practice. Borrowing to meet operational needs is not.

In proposing a capital-operational breakdown in the Federal budget, I am not suggesting that the Government need not exercise sound fiscal planning, nor am I arguing that this kind of budgeting be used as an excuse to ignore waste and cost overruns. Indeed, I believe that the type of budgeting I am urging would facilitate identification of poor fiscal management and increase accountability.

As it exists today, the Federal budget is grossly misleading. The legislation I am offering would bring needed and helpful clarity to the budgetmaking process and would also encourage more informed participation by both Congress and the public in this process.

I urge my colleagues to support this effort to regularize and simplify the Federal budget.

A copy of the bill is printed below:

H.R. 5298

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Budget Amendments Act of 1981."*

Sec. 2. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11(a)), is amended—

(1) by striking out "estimated expenditures" in paragraph (5) before "and proposed appropriations necessary" and inserting in lieu thereof "estimated capital expenditures and estimated operational expenditures";

(2) by striking out "expenditures" in paragraph (7) and inserting in lieu thereof "capital expenditures, operational expenditures"; and

(3) by striking out "estimated expenditures and receipts" in paragraph (8) and inserting in lieu thereof "estimated capital expenditures, estimated operational expenditures, estimated receipts".

Sec. 3. Section 301(a)(2) of the Congressional Budget Act of 1974 (31 U.S.C. 1322(a)(2)) is amended by inserting "for capital expenses and for operational expenses" after "an estimate of budget outlays".

Sec. 4. (a) Section 2 shall take effect with respect to all budgets transmitted pursuant to section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), more than 30 days after the date of the enactment of this Act.

(b) Section 3 shall take effect with respect to all first concurrent resolutions on the budget reported to both the House of Representatives and the Senate pursuant to section 301(d) of the Congressional Budget Act of 1974 (31 U.S.C. 1322(d)) more than 30 days after the date of the enactment of this Act.

#### MILITARY MANPOWER INVESTIGATION

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

Mr. BEARD. Mr. Speaker, today, I am reintroducing a concurrent resolution to establish a joint select committee to study the critical situation which now exists in regard to our military manpower and mobilization capability.

Recent multiarticle series in the Washington Star and the New York Times have recognized a problem about which I have been deeply concerned for years: the problem is two-fold; both quantity and quality of manpower are cause for deep concentration.

We have a reserve force which, frankly, is incapable of meeting its wartime mission because it is so undermanned. We have study after study done by the Department of Defense which reveals that the quality of the personnel in the military today is so low that basic missions cannot be accomplished. It was recently revealed by former Assistant Secretary of Defense Robert Pirie that more than half of the Army's recruits over the past 2 years tested in the lowest mental category of the four possible Army skills qualifications tests, which test whether a soldier can do the minimum of what he is supposed to be able to do in a war, reveal failure rates of staggering proportions, such as 80 percent. We have recently witnessed a major scandal among recruiters, who were having such difficulty filling minimum quotas, and were under such pressure to do so by superiors, that they engaged in falsifying recruits' mental tests to assure the recruits were not disqualified.